

USAID Summer Seminar Series
FIFTH SESSION: JULY 1, 2003
RECONSTRUCTION ISSUES IN POST-CONFLICT COUNTRIES,
AFGHANISTAN AND IRAQ

Convener:

Patrick Cronin, Assistant Administrator, Bureau for Policy & Program Coordination

Speakers:

Ambassador William Taylor, Jr., Afghanistan Coordinator, U.S. Department of State

Arthur Helton, Director, Peace and Conflict Studies, and Senior Fellow for Refugee Studies and Preventative Action, Council of Foreign Relations

Elaine Grigsby, (Acting) Director, Center for Development Information and Evaluation, Bureau for Policy and Program Coordination, and Senior Economist, USAID

Post-Conflict Reconstruction in Afghanistan and Iraq was explored from the three unique perspectives of the speakers: an assessment of progress to date in Afghanistan by Ambassador Taylor, an evaluation of U.S. assistance in post-conflict situations by Mr. Helton, and an overview of implementing reconstruction from an economic perspective by Ms. Grigsby.

Ambassador Taylor gave three examples of how reconstruction in Afghanistan has been unique and shown signs of lessons learned from previous missions:

- 1) The international community is pulling together to address needs; there is both a willingness to do so as well as the mechanisms for carrying out such cooperative assistance;
- 2) The UN Mission is very helpful, competent, and not too large; and
- 3) There is a government in Afghanistan that is diverse but fractionalized; the international community is supporting this government that wants to take charge and be responsible for their country.

The U.S. government has made a commitment to Afghanistan that was reiterated in President Bush's meeting with President Karzai in February. **The two largest efforts the U.S. is undertaking are: building the road from Kandahar to Kabul and training the Afghan Army.** The road will not only impact the economy, it will also have a political impact during next year's elections. There is still a need for greater support in the security sector; war lords do still dominate in the regions. Support needs to be extended beyond building the army to also building the police force. Police forces are cheaper and more efficient in providing law and order than the army. It is necessary to extend police work to parts of southern Afghanistan where movement is still restricted due to security concerns.

At the National Security Council meeting early this spring, the U.S. commitment to Afghanistan was reiterated by apportioning more resources and beginning a reorganization of the U.S. government team there. These new decisions are now being translated into operational plans including more work on roads, support to the central government (including the long-term goal of extending the central government's authority further into the provinces), and working with the Ministry of Interior on security concerns.

In his evaluation of U.S. assistance in post conflict situations, Mr. Arthur Helton asked four questions about whether lessons have been learned and applied:

- 1) Is Iraq the last of this type of adventure? There seems to be a prospect for more post-conflict situations, but the system is acting as though this is the last. It is not preparing tools for use in the next situation.
- 2) Why can't we get it right? This has tortured administrations. NGOs are currently saying that the dialogue between the government, military, and NGOs has never been worse.
- 3) What are the tools that can be developed and used in such assistance efforts? The CSIS-AUSA study listed every task that must be undertaken in a post-conflict response. However, there is nothing on sequencing or who is responsible for what. This is due, primarily, to the fact that it is different in every situation; assistance efforts have been highly fragmented and decentralized. Stronger efforts could be undertaken if there were some tools that could be developed identifying what actors have the capacity to carry out different tasks.
- 4) Is the way we go about reconstruction important? It is possible to lose the war by not winning the peace.

The reconstruction assistance programs have been highly reactive. Often the bars are set too high by donors, agencies, and contractors.

Ms. Elaine Grigsby pointed to economic development as one area that needs to be addressed earlier in the reconstruction process than it has in the past. The purpose of working with the government in the early stages of reconstruction to set up economic infrastructure is not solely to engage with the government, but through this work with the government to lay the groundwork for the growth of a dynamic private sector. She likened economic infrastructure, a good policy framework, and effective institutions to an operating system for the private sector and public works. Early steps can make a difference in donor planning and pledging meetings because it is through the development of these areas that the governments can gain credibility. The more credibility a government gains, the greater the likelihood that donors will follow through on their pledges.

A good example is Afghanistan where much assistance was delayed until the World Bank trust fund was set up. This led the transitional government to set up a mechanism for financial management and allowed for budget management; they are now setting up the technical fiscal framework in the regions.

There are several needs in Iraq to set up mechanisms that will provide the government with some legitimacy in managing donor assets including the need to focus on developing a budget, to move quickly on tax administration and a tax framework, and to set up payment systems. They have not yet decided how to proceed. The macroeconomic situation requires attention; the IMF is taking the lead. **Budgets and transparency** are key to social service delivery. The **regulatory and legal frameworks** are necessary for the operation of utilities, civil society, and private sector.

These notes were prepared by Emily Parkinson from Development Alternatives Inc.